

## **Spokane lawyer may lose license**

**State bar association recommends suspension due to two recent complaints**

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OLYMPIA – Gail Schwartz was a middle-aged mom and former police dispatcher who went to law school. She was the eager upstart who decided last year to run for judge – and beat a more-experienced lawyer in the primary.

Today, she's on the verge of losing her law license. Overwhelmed by personal problems, family responsibilities, complaints from two clients and unfinished work that has piled up, Schwartz seems to have resigned herself to being forced out of law. When the state Supreme Court scheduled a hearing to decide whether to suspend her license, she didn't even show up.

"It's my fault," the 52-year-old Schwartz said in a phone interview. "I can blame other people, but ultimately, it's my fault."

The state bar association wants the high court to yank Schwartz's law license indefinitely because of two recent complaints. A ruling is expected any day now.

The first complaint was from Laura Kallstrom, who paid Schwartz a \$1,000 retainer in 2003 to represent her in a divorce case. Among other things, Kallstrom wanted the case switched from Lincoln County to Skagit County.

Schwartz wrote two letters to Kallstrom's estranged husband about dividing property. But she never sought to have the case switched to the West Side. Nor, according to the bar association, did she do anything else. She set up four phone appointments with Kallstrom's husband, the association says, then never called. When Kallstrom got a new lawyer, Schwartz wouldn't respond to requests for paperwork or a refund of unearned fees.

Last month, a bar association hearing officer recommended a six-month suspension of Schwartz's law license plus restitution of \$580 to Kallstrom. The case is pending.

"She may not have gotten as good a service as I should have given her," Schwartz said of the case. "Sometimes – I hate to say this – things slip."

Last May, a Spokane financial planner named Ron Kincaid also complained. He said Schwartz wouldn't account for nearly \$300,000 belonging to his friend and client, Matt Sutherland. Sutherland is serving a prison sentence for forgery in Idaho. (He also has served time in Washington for conspiracy to manufacture methamphetamine.) Before turning himself in, he asked Schwartz to manage his money.

Since then, Sutherland said, she has loaned out at least \$84,000 without his consent and won't respond to repeated requests to turn his money over to a different lawyer. When Sutherland told her to give his girlfriend some money, he said, Schwartz refused.

"We're just left hanging," Sutherland said in a phone interview from prison. "I've never, ever gotten an accounting from her to tell what she's been charging me or anything."

"I'm just baffled," said Kincaid. "People have problems, but you can't let them affect your clients. She is literally sitting on about a quarter million dollars of this guy's money. It's really strange."

Schwartz insists that Sutherland knew what she was doing with his money and approved. She denied that she has mismanaged his money in any way.

"As his trustee, I don't want to say I do what I want," she said, "but under my fiduciary duties, I can do things that I think are in his best interest."

She told the bar association that she is having a lawyer and accountant audit Sutherland's account.

But she has refused to cooperate with the bar association's investigation, skipped a deposition and wouldn't turn over a copy of Sutherland's case file to a bar association investigator. Under state rules for lawyers, such a refusal – by itself – is grounds for suspension.

If that happens, it will be no small loss for Schwartz, who entered law school in her early 40s. A Japanese-American mother of two, she had worked as a waitress for nearly a decade, then as a 911 dispatcher for another decade. She moved from her native California to Spokane to study law at Gonzaga University. She graduated and became a lawyer in 1999.

Her work was mostly in family law, a little criminal law, bankruptcies, personal injury and negotiations. She took many cases – too many, she now says – for free. She liked the flexibility of working for herself so she could attend her son's sporting events and help take care of her aging parents in California.

Last year, Schwartz ran for a Spokane County Superior Court judge's seat. She filed at the last moment, then went on a 10-day trip and missed a candidates panel held by the county bar association. She acknowledged her inexperience but said her life experience

gave her depth and empathy that courts need. She won a primary contest but lost to a much better-known attorney in November.

Now she's wrapping up her final cases and closing her office.

"To be honest, I am tired of fighting both personal and legal battles," Schwartz wrote in October to a bar association investigator. "The legal system, from what I have seen of it so far, is not what it is supposed to be. There is very little justice, fairness and equality. If one can lie well, one can win. If one has funds, one can buy almost anything."

She pleaded for time to wrap up her cases and promised not to take on any more.

"I have no choice but to make some drastic changes in my life," Schwartz wrote. She told the bar association in early October that she intended to close her office very shortly.

If the high court suspends her license, Schwartz said, she plans to do some free-lance writing. She wants to take care of her parents, whom she moved up from California. She eventually may petition to have the suspension lifted, she said.

Why isn't she fighting to save her license now? Because she was the one who let things get away from her, she said.

"I realize that I've let things go," Schwartz said. "I made some stupid mistakes. I regret them, but I think after a while, there's nothing you can do."

She has missed the deadlines to comply with the bar association's investigation, she said.

"It's too late now," she said.